Traditional Choice® Medical Plan

Your Uniform Health Care Program for Year 2007

NEXCOM
Navy Exchange Service Command

The Department of Defense Nonappropriated Fund Health Benefits Program

AAFES™
Army & Air Force Exchange Service

Welcome to Traditional Choice – for Quality, Affordable Health Care

The DoD Nonappropriated Fund (NAF) employers are pleased to offer NAF employees and retirees a traditional indemnity medical plan called Traditional Choice. Traditional Choice allows you to select any licensed physician you wish when you need care. Once you meet the annual deductible, the plan typically pays a percentage of the expense (usually 80%) based on reasonable and customary charges, and you pay the balance (usually 20%). This is called "coinsurance." You pay for the cost of your care up front. Then, complete and submit a claim form to Aetna, our claims administrator*, to be reimbursed for covered expenses.

Using Your Plan

Traditional Choice is easy to use as long as you follow these plan basics:

Plan Basic #1

Meeting the deductible

Under the plan, you must first meet an annual deductible. The deductible is the amount you must pay out of your own pocket each year before the plan begins to pay benefits. The deductible does not apply to preventive care services. After you meet the deductible, you and the plan share the cost of covered services. This arrangement is called "coinsurance." The plan pays a percentage of the reasonable and customary cost of covered services, and you pay the balance. The reasonable and customary cost is the prevailing rate for the service in your geographic area.

Annual Plan Deductible	
Individual	$200
Family	$600

The family deductible is three times the individual deductible. The family deductible is met once the entire family has spent $600 on medical care. For a family of two, the deductible is met when each family member meets their own individual deductible, or $400.

** Traditional Choice is administered by Aetna Life Insurance Company and is offered to DoD employees who do not have access to Aetna's Open Choice® PPO network.*

Plan Basic #2

The out-of-pocket limit

Traditional Choice has an annual out-of-pocket maximum that limits your expenses and protects you from the high cost of a serious illness or injury. Once your deductible and coinsurance combined reach this annual limit, the plan pays 100% of reasonable and customary covered expenses for the remainder of the plan year.

Annual Out-of-Pocket Limit	
Individual	$3,000
Family	$9,000

The family out-of-pocket limit is three times the individual limit. For a family of two, the out-of-pocket limit is met when each family member reaches their own individual out-of-pocket limit, or $6,000.

Plan Basic #3

Using your Traditional Choice ID card

You will receive two identification cards that display the names of all covered family members, the toll-free Aetna Member Services telephone number, and a brief summary of benefits, including your prescription drug copay information. You should keep your ID card with you at all times and show it when you visit the doctor's office. You will also need to show your ID card when you have prescriptions filled at participating pharmacies in the United States (see page 2 for details). It identifies you as a member of Traditional Choice.

Plan Basic #4

Getting a head start with 100% coverage of preventive care

Unlike many standard indemnity plans, Traditional Choice provides generous benefits for preventive care services that can catch problems early and help you and your family stay well. The following services are covered at 100% of reasonable and customary charges, *with no deductible*:

- One annual routine physical exam, age seven and over
- Well-baby care to age seven, including doctor visits and immunizations
- One annual routine gynecological exam, including Pap test and lab fees
- One annual mammogram for women age 35 and over
- One annual prostate screening for men age 40 and over

Plan Basic #5

Understanding precertification

Precertification is the advance review of a hospital admission to ensure that the setting and length of stay are appropriate to the diagnosis. If your doctor recommends a hospital stay, you must initiate the precertification process by calling Member Services at least 14 days before you are admitted to the hospital. If you do not call Member Services to precertify a hospital admission, you will be required to pay a penalty of $500. The precertification requirement is waived for hospital care received overseas and for those who have Medicare as their primary coverage.

Plan Basic #6

Getting emergency care

If you have a medical emergency, get the care you need immediately. Then you, or someone acting on your behalf, should call Member Services within 48 hours to certify the admission. Benefits are paid at 80% after you meet the deductible. To help contain your costs, you are encouraged to use the emergency room for true emergencies only. A true emergency is a severe illness or accident that could cause serious health risk or death if not treated immediately. Examples include bleeding that will not stop, compound bone fractures, loss of consciousness, stroke and severe chest pains. If you use a hospital emergency room for non-emergency care, you will pay 50% of the cost after meeting the deductible.

Plan Basic #7

Covering dependents who live away from home

If a covered child does not live with you, either because he or she is away at school or living with another parent, benefits are paid the same as if your child lived with you. He or she should obtain medical care from any licensed doctor or health care facility and submit a claim to Aetna for reimbursement.

Plan Basic #8

Getting care when you are away from home

When you are away from home and need medical care, you'll receive benefits for covered services just as if you were at home. After you receive the care you need, complete a claim form and submit it to Aetna for reimbursement.

Plan Basic #9

Call Aetna Member Services

Here's a great plan feature, one you can use often. It's Aetna Member Services, a toll-free information service. Call Member Services at 1-800-367-6276 for answers to many kinds of questions – confidentially. You will speak to an Aetna representative, and anything you tell the representative is kept completely private.

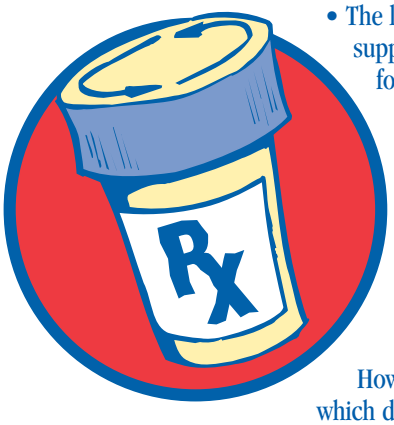
Here are just a few of the many reasons you will want to call Member Services:

- For information about benefits under your plan
- For answers to general health questions
- To check the status of a claim
- To precertify hospital care

You can call Member Services from 8 a.m. to 6 p.m. Monday through Friday, Central time. You may also call after hours and use Aetna's Voice Advantage® service to obtain certain information.

Prescription Drug Benefits

Your prescription drugs will be covered under Aetna's Three-Tier Pharmacy Program. The program features three copay levels:



- The lowest copay level is $10 for a 30-day supply of generic drugs included in Aetna's formulary.
- The middle copay level is $25 for a 30-day supply of brand-name drugs included in Aetna's formulary.
- The highest copay level is $35 for a 30-day supply of brand-name drugs that are not included in Aetna's formulary.

How do you know which copay goes with which drug? After you enroll, you will receive Aetna's Formulary Guide, which lists over 900 drugs and the copay level for each one. All drugs in the Aetna formulary have been approved by the Food and Drug Administration as safe and effective. For additional information about Aetna's formulary, go to **www.aetna.com** or call Member Services.

Your prescription drug plan also includes a Discount Program for Smoking Cessation Products. With a valid prescription, you may purchase nicotine replacement products (such as patches and inhalers) at participating pharmacies or through the Aetna Rx Home Delivery® Program. You pay 100% of the *negotiated* cost of these products, which is lower than the retail price you would normally have to pay.

Using the plan

The three-tier copay structure applies to prescriptions filled at participating retail pharmacies located in the United States and Puerto Rico as well as to prescriptions filled through the Aetna Rx Home Delivery® Program.

Here's how these programs work:

- ***The Participating Pharmacy Program for up to a 30-day supply of prescription medication***
  Take your prescription and your Aetna medical plan ID card to any participating pharmacy located in the United States or Puerto Rico. Your copay is payment in full at the time of purchase. There are no claim forms to complete; participating pharmacists file claim forms electronically for you. If they have any questions, they can call Aetna's toll-free 24-hour provider helpline for answers.

  To find a participating pharmacy nearby, visit DocFind® at **www.aetna.com**, and follow the search instructions for pharmacies. Or, call Member Services for a listing of participating pharmacies. The network includes over 50,000 chain and local independent pharmacies. That's 82% of all pharmacies located in the United States.

  Please note: There is no coverage for prescription drugs purchased at non-participating pharmacies in the United States or Puerto Rico.

- ***Aetna Rx Home Delivery® Program for up to a 90-day supply of prescription medication***
  Use Aetna's mail-order program to save on medications you need on a regular, long-term basis. You may order up to a 90-day supply for a single copay and enjoy the convenience of home delivery. In addition, you'll pay less for your medication than you would at a participating retail pharmacy. You can order a 90-day supply of medication for what you would pay for a 60-day supply at a participating retail pharmacy. If you have questions about your prescription, program pharmacists are available to answer them. Mail-order pharmacies use the same quality checks on prescriptions as participating retail pharmacies. For more information, please call Aetna Rx Home Delivery (toll free) at 1-866-612-3862.

  The mail-order program also features three copay levels for up to a 90-day supply of prescription drugs as follows:
  - $20 for generic drugs included in Aetna's formulary
  - $40 for brand-name drugs included in Aetna's formulary
  - $60 for brand-name drugs that are not included in Aetna's formulary

It's always a good idea to tell your pharmacist about your other medications when having a new prescription filled. Pharmacists can tell you if there is a risk of harmful drug interactions. Pharmacists in both programs have access to Aetna's claim processing system and can review other covered drugs filled through an Aetna prescription plan to identify interaction issues.

What are you willing to pay?

In some cases, treatment requires a brand-name drug. In other cases, the choice is yours. Ask your doctor if the medication he or she prescribes is a covered brand-name or generic drug. Also, check to see if your prescription is included in Aetna's formulary. You may be able to have your prescription filled with a lower-cost formulary generic drug instead of a higher-cost brand-name drug. Consider this: 100 tablets of brand-name Prozac (20 mg) have a retail cost of $280.19; the generic equivalent costs $29.99.

When you request generics, you pay a lower copay. In addition, the retail price of your medication is lower, so the plan's share of the cost is lower as well. For example, the highest $35 copay would apply to a 30-day supply of the brand-name diabetic drug Glucophage, which is not on Aetna's formulary. The lower $10 copay would apply to a 30-day supply of a generic equivalent, saving you $25.

Generic drugs must meet the same FDA standards for safety and effectiveness as their brand-name counterparts. Generic drugs must:

- Contain the same active ingredients in the same amount as the brand-name equivalent
- Carry the same label information as the brand-name equivalent

Prescriptions obtained overseas

For prescriptions filled overseas, the Three-Tier Pharmacy Program is available only for long-term prescriptions (up to a 90-day supply) that you order through the Aetna Rx Home Delivery Program. In order to use the mail-order service, prescriptions must be issued by a doctor licensed to practice in the United States or Puerto Rico. Also, prescriptions must be sent to an APO/FPO mailing address.

While you are overseas, short-term prescriptions (up to a 30-day supply) should be filled at your local pharmacy. Coverage is as follows:

- 100% after deductible for generic drugs
- 80% after deductible for brand-name drugs

You will need to submit a claim form to be reimbursed for your covered expenses.

Vision One® Discount Program

With Traditional Choice, prescription eyewear is covered at 100%, up to $150 a year for each covered family member. In addition, you are eligible to use the Vision One Discount Program when your Traditional Choice coverage takes effect. Vision One offers discounts of 20-70% on eyeglasses, contact lenses, nonprescription sunglasses, contact lens solutions and accessories. To receive discounts, visit any Vision One location and show your medical plan ID card.

The discount will be applied at the time of purchase. For more information or to find the nearest Vision One location, call 1-800-793-8616 weekdays from 9 a.m. to 9 p.m. or on Saturdays from 9 a.m. to 5 p.m., Eastern time.

Alternative Health Care Programs

If you and your covered dependents wish to receive chiropractic care (beyond your medical plan coverage), acupuncture, massage therapy or nutrition counseling, the Natural Alternatives program can help you save money. This discount program is available to you automatically once you enroll in Traditional Choice. To use the program, you simply visit one of the participating providers, then pay the special discounted fee at the provider's office when you receive the service.

You also receive savings on vitamins, herbal supplements, and health-related books and magazines that you may order through the Vitamin Advantage™ Program.

For further information about these programs and for the names of participating providers in your area, call Member Services or visit Aetna's website at **www.aetna.com**.

Attention Overseas Employees!

The Vision One, Natural Alternatives and Vitamin Advantage Programs rely on stateside provider networks. As a result, they are not available at overseas locations. However, you are encouraged to take advantage of these programs when you are in the United States. Your covered dependents who live in the United States are welcome to use these programs anytime. Some overseas employees with an APO/FPO mailing address may use the mail-order drug program with a valid prescription from a doctor licensed to practice in the United States.

Managing Chronic Medical Conditions

Living with chronic health problems can be difficult. But you don't have to manage these conditions alone. Aetna Health Connections® is an expansion of our current program (which supports 2 conditions) and offers support for 30 common medical conditions. It is voluntary, confidential and available at no additional cost to you as part of your medical plan. The program is designed to fit your personal health needs in order to make living with a chronic disease easier by providing information and wellness coaching through specially trained registered nurses.

In addition, the program features state-of-the-art technology to make sure you are getting the right care and to let you and your doctor know if there are other alternatives to consider. It's called the ActiveHealth Management CareEngine® and it continuously searches available claim and clinical data and compares it with over 1,000 established guidelines of care.

It can identify potentially dangerous drug interactions, drug and disease interactions and flag opportunities for preventive screenings or additional care.

There are several ways to be identified for Aetna Health Connections:

- You may refer yourself by calling Aetna Member Services at 1-800-367-6276 or by sending an email through Aetna Navigator.
- Your doctor may refer you.
- Aetna's patient management staff and systems may identify you based on a confidential review of medical and claims history and invite you to participate. The decision is completely up to you. Remember, your medical information is confidential and is not shared with your employer.

With Aetna Health Connections, you will have nurses providing the support you need and our CareEngine watching for any potential problems or concerns. It connects everyone who is involved with your health to be sure you are getting the care you need.

Aetna Navigator™

Aetna has taken information to a whole new level with its online Aetna Navigator website. This site offers current health and wellness information as well as details about your benefit plan. Just go to **www.aetna.com** to access this multi-use, interactive website. It's easy to use, secure and private. When you log on, there is a general site and a registered site. To access your personal benefits information, you need to complete a simple registration process and select a password. As a registered member, you can customize some of the features of your home page, tailoring it to your individual needs and preferences.

Here are a few of the features you'll find on Aetna Navigator:

Estimate the cost of care

Knowing the cost of care in advance goes a long way toward helping you reduce your health care costs. And Aetna Navigator's Estimate the Cost of Care suite of tools can help. Just click on "Take Action on Your Health" at the Aetna Navigator home page. Tools there let you compare in- and out-of-network costs for medical products and surgeries, office visits and medical tests. You may also estimate the total cost of a serious illness or condition. Estimated costs for prescription drugs and dental services are included as well. You'll find member-friendly terminology, links to important health care information and easy-to-use navigation.

Benefits and health information

Have you ever needed a quick answer to a benefits or health question? With Aetna Navigator, information is available in seconds. You can find:

- Which of your family members are covered under the plan;
- What services the plan covers;
- Explanation of Benefits (EOB) Statements for recent claims;
- Information about the status of a claim;
- The address and telephone number of Member Services;
- Links to reliable, up-to-date health information on hundreds of topics; and
- Health references, such as a medical dictionary.

Aetna Navigator even has a hospital comparison tool that allows you to learn how hospitals in your area rank on measures that are important to your care (such as the frequency a certain procedure is performed).

Speedy transactions

Aetna Navigator is also interactive. Use it to request information, send messages to Member Services, provide additional information needed for a claim or request replacement medical ID cards. And, if you need any standard Aetna forms, print them out from Aetna Navigator.

DocFind

One of Aetna Navigator's premium services is DocFind, Aetna's online provider directory where you can get a wealth of information about participating hospitals, physicians and pharmacies – including maps and directions, a physician's education and languages he or she speaks. From Aetna Navigator, you can access DocFind by clicking on "Find Health Care" in the "Take Action On Your Health" menu area.

Aetna InteliHealth®

Aetna Navigator is also your gateway to InteliHealth, an award-winning site that provides in-depth health information plus wellness and fitness tips.

New services and features are constantly being developed that will help you manage your health. Check out Aetna Navigator today!

Enrollment/Election Instructions

During the Annual Plan Selection Period

If you are currently enrolled in Traditional Choice, your coverage will automatically continue. Your current medical plan election will remain in place unless there has been a network change in your area. However, if you are eligible and you decide to make a change for 2007, you will need to complete the election process outlined in the letter enclosed with this brochure.

New Employees/Newly Eligible Employees

Newly hired employees must enroll within 31 days of eligibility in order to have coverage under the Department of Defense NAF Health Benefits Program. Otherwise, you will need to wait for the next full Open Enrollment to enroll in the plan. To enroll, please follow the enrollment instructions provided by your supporting Human Resources Office.

Coverage for Newborns

Important! During the first 31 days, your newborn is automatically covered under your medical plan. However, you must enroll your newborn child within 31 days of birth for coverage to continue. Please contact your supporting Human Resources Office for enrollment instructions.